State Finances, A Study of budgets of 1999-2000, the debt—GDP ratio of the State governments is projected to increase to 20.5% at the end —March, 2000 as compared to 19.4% in 1998-99. At page S-44 of this Report the outstanding liability of the States is estimated to be Rs. 409,258 crores by March, 2000 which is 19.9% higher than Rs. 341,259 crore at March end 1999.

The Report brings out that the high rate of growth in the nominal stock of debt has translated itself into an accelerated growth of interest payments, putting pressure on resource base of the States. The Report brings out that the State would have to make efforts to contain non-plan revenue expenditure and augment revenue through broadening tax base and cost recovery.

State Governments are autonomous under the Constitution and take measures of their preference from time to time for improving their financial condition. Review of the finances of the Union and the States and suggesting ways and means by which the Governments collectively and severally may bring about a restructuring of the public finances so as to restore budgetary balance and maintain macroeconomic stability, is also within the terms of reference of the Eleventh Finance Commission which is currently in office.

Engagement of Private Surveyor by General Assurance Companies

1280. SHRI VAYALAR RAVI: Will the Minister of FINANCE be pleased to state:

(a) whether the General Assurance Companies are engaging the Private Surveyor for assessment of damages for fixing the insurance payment;

(b) if so, the number of such agencies engaged in different States; and

(c) the reasons for engaging Private Surveyors?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASHAEB VIKHE PATIL): (a) No, Sir. General Insurance Corporation has reported that only licenced surveyors are engaged by the companies for assessment of damages for fixing the insurance payment.

(b) and (c) Do not arise.

Growth Rate of Gross Domestic Product of States

1281. SHRI S. RAMACHANDRAN PILAI: Will the MINISTER OF FINANCE be pleased to state:

(a) the gross domestic product (GDP) of States at current prices, state-wise;